

Medicaid Reduced Conflicts an Income-Based Household Application

Contracting Entities (CEs) must use the following guidance in situations where a direct certification or direct verification Medicaid Reduced match conflicts with an income-based household application. This guidance is effective February 3, 2020.

Eligibility Determinations

When a household submits an income-based household meal application that is in conflict with a direct certification Medicaid Reduced match, contracting entities (CEs) will apply the highest benefit for the household.

| Circumstance for Conflict | Eligibility Determination in This Circumstance | Verification Actions When This Conflict Occurs |
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| <p>Processed income - based household application indicates free.</p> <p>Then, at a later time, direct certification indicates Medicaid Reduced.</p> | <p>The CE will apply the higher eligibility—free.</p> <ul style="list-style-type: none"> – If the CE <u>has already notified</u> the household that all students are eligible for free meals, no additional notification is required. – If the CE <u>has not notified</u> the household that all students are eligible for free meals based on income reported in a household application, the CE <u>will notify</u> the household that all students are eligible for free meals based on the income recorded on the household application. | <p>The income-based household application is included in the verification pool. If chosen for verification, the CE will apply the normal verification process and request income documentation from the household.</p> |
| <p>Direct certification indicates Medicaid Reduced.</p> <p>Then, at a later time, processed income-based household application indicates free.</p> | <p>The CE will apply the higher eligibility—free.</p> <ul style="list-style-type: none"> – If the CE <u>has already notified</u> the household that all students are eligible for reduced-price meals, the CE <u>will now notify</u> the household that all students are eligible for free meals based on the income reported on the household application. – If the CE <u>has not notified</u> the household of the reduced-price eligibility, the CE <u>will notify</u> the household that all students are eligible for free meals based on the income reported on the household application. | <p>The income-based household application is included in the verification pool. If chosen for verification, the CE will apply the normal verification process and request income documentation from the household.</p> |

Direct Verification

If the CE discovers that an income-based household application is in conflict with a Direct Verification match that will cause a household’s benefits to decrease when applied, the CE will apply the normal verification process and request documentation to verify the eligibility status.